



PROCEEDINGS OF THE BROWN COUNTY HARBOR COMMISSION

A meeting was held on Thursday, **January 11, 2010**, 11:30am., at Holiday Inn – City Centre, Green Bay, WI. The meeting was officially called to order by President McKloskey at 11:30am.

1. Roll Call:

Present: President Neil McKloskey
Vice-President Tom Van Drasek
Commissioner Hank Wallace
Commissioner Bill Martens
Commissioner John Hanitz
Commissioner Craig Dickman
Commissioner John Gower (arrived at 11:40am)
Commissioner Bernie Erickson (left at 12:52pm)

Excused: Commissioner Ron Antonneau

Also Present: Charles Larscheid, Brown County Port & Solid Waste
Dean Haen, Brown County Port & Solid Waste
Terry Peterson, AECOM
Staci Goetz, AECOM
Scott Matejor, City of Green Bay
Joe Costello, Resident

2. Approval/Modification – Meeting Agenda

A motion was made by Craig Dickman and seconded by Hank Wallace to approve the agenda. Unanimously approved.

3. Approval/Modification – December 21, 2009 Meeting Minutes

A motion to approve the December 21, 2009 meeting minutes was made by Tom Van Drasek and seconded by John Hanitz. Unanimously approved.

4. Strategic Plan Subcommittee – Update

Tom Van Drasek asked if any of the Harbor Commissioners had comments on the draft Strategic Plan. No comments were expressed by the Commission. The next subcommittee meeting will be on January 25, 2010 to begin developing goals and objectives as related to the identified strategic themes.

5. Intermodal Port Feasibility Study (first year report) – Dr. Ray Hutchinson, UW-Green Bay

In May 2008 the Port of Green Bay and the University of Wisconsin – Green Bay (UWGB) held an outreach session that included government officials, local businesses, landowners and transportation stakeholders. Attendees were generally supportive of creating a marine transportation connection using the St. Lawrence Seaway to help alleviate congested freight lanes and provide global access for Wisconsin users. An intermodal terminal is an engine of growth for the regional economy, it can help reduce transportation costs, improve global access to new markets and aid the region's economy through the use of a sustainable and environmentally responsible transportation network. An improved transportation system increases the competitive advantage of existing businesses and provides new opportunities for new economic innovations.

The introduction of containerized freight to the Great Lakes and establishment of a new intermodal freight facility at the Port of Green Bay is viewed as an important first-step for the revitalization of the area. With a grant from the Great Lakes Marine Research Institute (GLMRI) at UW-Superior and UM-Duluth, UW-Green Bay has been working with area agencies and businesses to study the feasibility of introducing containerized freight to the Port of Green Bay. Our first year research tasks included an analysis of potential freight flow, conducting an on-line survey and personal interviews. Focus group sessions were scheduled with area manufacturing and transportation firms and provided valuable feedback on shipping activities of several firms and desired preference to ship from the Port of Green Bay. Analysis focused on commodities produced within a 200-mile catchment area surrounding the Port of Green Bay. The revised strategy has been to identify specific commodities originating from beyond this region that must be shipped to coastal ports which might better be directed through the Port of Green Bay. In the coming year, UW-Green Bay expects to refine the freight flow analysis and to present state-of-the-art mappings of the case study information. The study will include other supply chains that can be directed through the Port of Green Bay. The study will also identify potential terminal size, location, and other requirements, as well as building the necessary partnerships among shippers, carriers, and local agencies to establish the network support services, equipment supply and service delivery to realize global operations. Recent communication between the Port of Green Bay and Canadian National concerning future cooperation in the development a new intermodal facility is an important first step in this process.

6. Transfer of 217 Funds for Past Port Expenditures – Request For Approval

Discussion ensued on whether some Port expenses were under funded. When the balance sheets of the two departments were separated, the account balances were shown as they should be, had the accounting errors over the past several years not occurred. Therefore, the Port shows a deficit of \$452,000 through the end of 2008 and Solid Waste has been made whole. Staff reviewed for the Commission, from the beginning, as to how they arrived at the current shortfall and explained the new accounting system and how the balance sheets are now set up separately. McKloskey argued that when the County Board merged the two departments, they allowed the two departments to commingle their funds and now eight years later are asking the Port to pay on an 8-year-old debt. Staff maintained that it was not the County Board but errors in accounting that caused the problem. McKloskey stated Finance works for the County Board and their agents are representing the principals. The Commission requested an explanation as to why it was never questioned as to why Solid Waste was paying the Port's expenses. Staff explained that due to the large amount of money in the P&SW budget, it was not obvious that the Port side was running deficits. Discussion continued on who is responsible for the \$452,000 to make the Port whole. Staff feels that if the Port does not transfer the funds, the Solid Waste Board and County Board will see it as being asked to pay for activities outside of their area. The Commission expressed their displeasure in being put in this position at this time, however, most felt this was not the result of a conscious decision but rather a failure to pay attention to detail and was not policy related. If staff is confident that this money was for harbor expenses, then the Commission has an obligation to transfer the money from the 217 account to make the Port whole. The Commission went on to say that the Port as an enterprise fund is responsible for their bills and that this issue needs to be accepted and resolved so the Commission and staff can move forward. Discussion confirming that all these expenses are in fact the Port's was discussed and agreed upon. A transfer of \$452,000 from the 217 fund would leave a balance of \$1.3M. Reimbursement of legal fees at 80% was also discussed.

A motion was made by Craig Dickman to accept staff recommendation and authorize transfer of money from 217 funds to the Harbor to balance the books to make up for the shortfall of \$452,000. Motion was seconded by Tom Van Drasek. Motion passed. President McKloskey and Commissioner Gower voted against the motion; Commissioner Erickson was not present at the time of the motion). Also noted by Commissioner Dickman that he felt this was one of the least appealing motions that he has made since being on the Commission but that the books need to be balanced and the Commission needs to move forward.

7. Bay Port Long-term Care & Closure Cost Estimates - Update

A balance sheet, done by Robert E. Lee & Associates, with revised calculations for long-term care and closure was reviewed. BayPort should be able to be closed the same way as Renard Island; that being with dredged material rather than a cap which was originally proposed. The 217 Agreement ends in year 20; however, Brown County will still have three years' of dredge material to manage after the Agreement ends. Finance has recommended money be put into a deferred O&M fund for management of BayPort during these last three years. The long-term care fund currently has \$145,000 which staff believes may be sufficient. The closure costs were originally estimated at several million dollars, however, using dredge material rather than capping brings that cost down to \$117,000, in today's

market. Staff will work with Robert E. Lee and administration to reallocate 217 funds to adequately fund all needs and consider funding a deferred O&M and bring a proposal for funding future Bay Port needs to the Commission's for approval.

8. Bay Port Sediment Sampling Results – Update

Staff reviewed a letter from Foth received in December on sediment sampling to determine the quality of the dredge material at Bay Port for the ultimate cap of Renard Island. Various cells were sampled and came back very homogeneous. In the closure plan for Renard Island, the WDNR has set criteria which must be met for using the dredge material. Sediment sampling closure plan limits are shown in Table 1. The contaminants of concern are PCBs and mercury. The test results for these and other contaminants of concern are within the limits of the closure plan. Table 2 shows how many times the required criteria have been met for the 11 samples. Lead is now the main item of concern. Staff is meeting with the WDNR next Tuesday.

9. Public Relations 2010 Task & Timeline – Request For Approval

A timeline was prepared by Leonard & Finco outlining proposed public relations efforts/activities for 2010, one being the 2010 Tall Ships Festival. **A motion approving the public relations task and timeline for 2010 was made by Hank Wallace and seconded by Tom Van Drasek.** Unanimously approved.

10. U.S. Army Corps of Engineer's Renard Island Causeway Design & Cost Estimates

As directed by the Commission in January, staff met with representatives of the City of Green Bay relating the Commission's desire to approve a plan at the February Harbor Commission meeting for the Renard Island causeway. Commission President McKloskey and staff, along with representatives of the City of Green Bay, will update the Planning, Development & Transportation (PD&T) Committee on January 25, 2010. The Harbor Commission will entertain comments and requests from Green Bay as to how the final causeway design chosen affects their future plans for recreation on Renard Island. The plan is to have the final causeway recommendation to the USACE discussed and approved by the Harbor Commission and PD&T in February and the County Board in March.

A motion to suspend the rules was made by Hank Wallace and seconded by Bernie Erickson. Unanimously approved.

Scott Matejor, City of Green Bay, explained the City's interest in future recreation on Renard Isle.

A motion to return to regular session was made by John Gower and seconded by Craig Dickman. Unanimously approved.

A motion to suspend the rules was made by John Gower and seconded by Hank Wallace. Unanimously approved.

Joe Costello, resident, expressed that today's problem areas such as Renard Island may be a future useful area to be enjoyed by the public and encouraged the Commission to keep that in mind when making decisions.

A motion to return to regular session was made by Craig Dickman and seconded by Tom Van Drasek. Unanimously approved.

11. 2007 Port Security Grant Reimbursement – Update

2007 Port Security grant information was presented and placed on file.

12. Director's Report

Director Larscheid explained that the Port and Solid Waste Department is in the process of selecting an engineering consultant via a Request for Proposal which will go to the County Board for approval in March.

13. Audit of Bills – Request for Approval

..... Unanimously approved.

14. Tonnage Report

The Port tonnage is down 18% for the year with December having only 5 ship arrivals delivering 40,000 tons of cargo. Discussion ensued on the Asian carp issue and the Great Lakes with staff indicating they support stopping the Asian carp but by using means that do not close the waterways in Illinois as is being suggested by some.

15. Such Other Matters as are Authorized by Law

There were no other matters to discuss.

16. Adjourn

A motion to adjourn was made by Hank Wallace and seconded by Tom Van Drasek. Unanimously approved.

Meeting adjourned at 1:20pm.

Neil McKloskey, President
Harbor Commission

Charles Larscheid, Director
Port & Solid Waste Department